REMARKS

This is a response to the Non-Final Office Action mailed on April 5, 2007 and is further to an interview with Examiner Daniel Felten on September 8, 2007. Claims 1-13, 16-19, 22, 23, 25, 26, 31 and 32 are currently pending.

The invention defined by the pending claims concerns methods and systems for generating indexes in which assets are grouped into asset classes that comprise the index. Each asset class has selected assets as members of the class. Investment returns are computed first with regard to the individual asset members, and then with regard to the class that includes that particular asset. An index is computed with regard to an average return for each respective asset class, by combining or summing such returns for each of the asset classes that define the index.

Claim 1 has been amended to positively recite that each asset "is grouped into a respective one of a plurality of classes" rather than that they *may be* so grouped. Given that the remainder of the claim already recites steps that operate on asset classes, this clarifying amendment does not narrow the scope of claim 1.

Independent claims 1, 3, 16, 18, 22, 25, 26, 32 and 33 each have been amended to expressly define the "position" of a given asset as "whether each particular asset is long or short." Support for this definition is at Paragraph 0045 of the published specification. Thus, each claim expressly includes a determination of the whether a particular asset is long or short (bought or sold) in a particular holding period of the index. Applicants submit that the term "position" has always had a clear meaning in view of the specification, but the amendment makes express this inherent feature. As such, this clarifying amendment is not intended to narrow the scope of the claim.

The amendment to expressly recite the long and short nature of the "position" of each particular asset within an asset class of the index is being made, as suggested during the interview of September 5, 2007 with the Examiner, to more clearly differentiate over the discussion of net asset values within the Melnikoff patent at column 11, lines 16-25.

Neither Melnikoff nor Sperandeo disclose or suggest a method for generating an index in which returns are computed by combining average returns computed for *asset classes* that include the selected assets. Sperandeo makes use of Applicants' MLM Index to obtain a value which is based on long and short positions across a number of assets in several asset classes, but the index being utilized by Sperandeo is a *composite* of the returns across several assets classes. *See* Paragraph 0033 of the published Specification. Further, the claims now pending are submitted as distinguishing over Melnikoff modified in view of Sperandeo for the reasons stated in Applicants' submission of July 20, 2006, which are not repeated here.

Consequently, Applicants submit that the claims are patentable over Melnikoff in view of Sperandeo and request reconsideration and withdrawal of the outstanding rejection against the claims.

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Respectfully submitted,

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